

UNITED STATES DISTRICT COURT

DISTRICT OF MASSACHUSETTS

UNITED STATES OF AMERICA

v.

JAMES R. HART

CRIMINAL NO.

VIOLATIONS:

18 U.S.C. § 1343

WIRE FRAUD

04 CR 10119 MEL

INDICTMENT

The Grand Jury charges that:

GENERAL ALLEGATIONS

1. During the time period from March 1999 through September 2003, in the District of Massachusetts and elsewhere

JAMES R. HART

defendant herein, engaged in a scheme and artifice to defraud and obtain money and property by means of false pretenses.

2. The scheme is described as follows: HART operated one or more Internet websites purporting to be for a company named Sovereign Brokerage Services which purported to offer high end used automobiles for sale.

3. HART used these websites to arrange fraudulent automobile sales. HART initiated the scheme by contacting legitimate sellers of automobiles over the Internet, and posing as a potential buyer. HART then obtained from the legitimate sellers detailed information about the automobiles, including photographs, copies of the automobile's titles, and the automobiles' VIN numbers (Vehicle Identification Numbers). HART then posted some of this information on websites he operated or in print advertising he purchased claiming that he was the seller or

broker for the sale of these vehicles. HART did so although, in truth and in fact, as HART well knew, he neither owned the vehicles nor did he have permission from the legitimate owners to broker sales of the automobiles.

4. When a person sought to purchase one of the automobiles HART offered for sale, HART used other specific information he gathered from the real sellers to convince the potential buyers that he had the right to sell the vehicles. Once a potential buyer decided to purchase a vehicle from HART, HART instructed the person to wire transfer or otherwise provide payment for the automobile before HART would arrange the shipment of the automobile to the buyer. HART deposited this money into his personal bank accounts or the bank accounts held in the name of Sovereign Brokerage Services or SBS, to which he was the sole signatory.

5. HART did not ship the vehicles to the buyers after he received payment. Instead, he converted the buyers' monies for his own use.

COUNTS ONE THROUGH FIVE:(18 U.S.C. § 1343 – Wire Fraud)

The Grand Jury further charges:

6. The allegations contained in paragraphs 1 through 5 are incorporated herein.
7. On or about the date set forth below, in the District of Massachusetts and elsewhere,

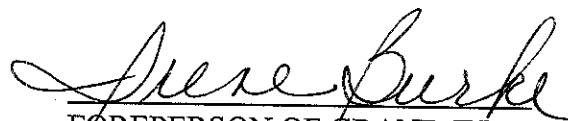
JAMES R. HART


defendant herein, having devised and intending to devise a scheme and artifice to defraud, and to obtain money and property by means of false and fraudulent pretenses, representations, and promises, did transmit and cause to be transmitted by means of wire communication in interstate and foreign commerce, writings, signs, signals, pictures, and sounds for the purpose of executing such scheme and artifice, as follows:

<u>COUNT</u>	<u>DATE</u> (on or about)	<u>MATTER WIRED</u>
One	June 30, 1999	Wire transfer for \$64,000 from California to Cape Ann Savings Bank in Massachusetts for the benefit of Sovereign Brokerage Service and James R. Hart
Two	July 25, 2001	Wire transfer for \$77,000 from New Jersey to Fleet Bank in Massachusetts for the benefit of Sovereign Brokerage Services
Three	October 28, 2002	Electronic mail message from jhart@shore.net in Massachusetts to a person in Illinois acknowledging the receipt of \$77,000 for the purchase of a 1996 Porsche Twin turbo with 11,800 miles
Four	July 23, 2003	Wire transfer of \$62,350 from Missouri to Sovereign Bank in Massachusetts for the benefit of SBS
Five	May 3, 2003	Wire transfer of \$48,500 from Pennsylvania to Sovereign Bank in Massachusetts for the benefit of SBS
Six	October 30, 2003	Wire transfer of \$39,000 from Rhode Island to Sovereign Bank in Massachusetts for the benefit of Sovereign Brokerage Services and James Hart

All in violation of Title 18, United States Code, Sections 1343 and 2.

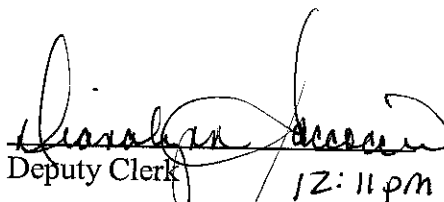
A TRUE BILL


FOREPERSON OF GRAND JURY


Seth P. Berman
Assistant U.S. Attorney

DISTRICT OF MASSACHUSETTS, Boston, April 14, 2004.

Returned into the District Court by the Grand Jurors and filed.


Deputy Clerk 12:11 pm